

MEETING MINUTES

May 10, 2007

GOVERNOR'S COMMITTEE FOR THE PURCHASE OF COMMODITIES AND SERVICES FROM THE HANDICAPPED

The meeting was called to order by Chairperson Penney Hall at 10:00 a.m., May 10, 2007 at the F. Ray Power Building, located at the West Virginia Division of Rehabilitation Services' office in Institute, West Virginia.

ATTENDANCE:

Committee: Penney Hall (Chairperson); Brenda Morford; Pete Cuffaro; John Liller; Everette Sullivan; Jan Smith; Ron Price, Executive Secretary; Carol Jarrett, Recording Secretary.

WVARF Staff: Glenn McEndree; Chris Miller; Craig Greening and Ken Kennedy.

Public Attendance: Lou Ann Summers, DRS

Ms. Hall called the meeting to order.

There was a correction to the minutes on page four, the first paragraph under Contract Complaints, next to the last sentence it says "He has talked to Green Acres about the problem and it should be Sheltered Workshop of Nicholas County."

MOTION #1

Ms. Smith moved to approve the minutes with the corrections. Mr. Liller seconded. Motion passed.

REPORT OF THE COMMITTEE CHAIR:

Ms. Hall reported there was a meeting with Purchasing Division and General Services in regards to the OS1 janitorial processes since the last meeting. There was positive feedback from both General Services and Purchasing and both division's are interested in learning more about the process. Once the custodial manager is hired a work group will be formed to look at implementing the program.

She reported she has been asked to do a basic ten minute speech on the State Use Program at the Purchasing Conference on October 11th at Stonewall Resort.

She recommended the Committee send a letter to Rhonda Sharpe congratulating and thanking her for her service as the Executive Director at Jackson County Development Center. She is retiring after 18 years on staff, 15 of which she served as the Director.

EXECUTIVE SECRETARY REPORT:

\$ 1,259.16 - Annual Allocation
807.35 - Total Expenses
451.81 - Sub-Total
\$ 1,118.88 - Expenses Outstanding (Accounts Payable)
\$ 667.07 - Balance Remaining (deficit)

The Department of Administration is going to transfer funds into this account to cover the rest of the year.

EXECUTIVE DIRECTOR'S REPORT:

Mr. McEndree reported the Hancock County Sheltered Workshop started doing Welch Hospital's laundry on April 2nd and Sharpe Hospital's laundry on May 1st. WVARF has been in discussion with Vickie Jones, (DHHR/Behavioral Health) regarding the other state hospitals. They feel confident they are going to get the rest of the hospitals.

He said the Division of Highways is closing some of the rest areas while they build new ones. The welcome center in Morgantown is the only exception. They are scheduled to begin construction in July of this year. The first two sites are the north and south bound on I-79 located at Burnsville to begin this summer. They will be closed for approximately six months during the construction phrase.

Mr. McEndree reported they will be losing the DRS janitorial contract at Institute when the Center closes at the end of June. He said they understand West Virginia State University is assuming control of some of the facilities and they will approach them to see if they can keep a contract with them.

CONTRACT PRESENTATIONS:

Mr. Greening reported there were no contracts to review because he was still working on the new costing information. He said there are approximately 140 contracts that expire on June 30. He suggested starting with the Division of Motor Vehicles, DHHR, General Services and the rest areas. This will included about 69 contracts, approximately 50% of the janitorial work. Each site will need to be visited and a good footprint done so the buildings can be work loaded correctly. With everybody else a letter will be sent indicating that there is a new process and asking for a 90 day extension.

CONTRACT COMPLAINTS:

Mr. Kennedy reported there were two complaints since the last meeting dealing with the rest areas in the Wheeling area. Mr. McEndree said one complaint involved a worker who was in the men's restroom without any cleaning supplies and appeared to be observing a group of kids in the mirror. During the investigation it was discovered the worker is deaf and when a large group of people comes in he goes in the restroom to see if anyone needs any assistance. WATCH is working with him to ensure this does not happen again.

Ms. Hall said if it was known who the group was they should be contacted with an explanation of why the worker appeared to be watching the kids. Mr. McEndree said he would check and make sure this was done.

The second incident involved an employee who was reportedly smoking pot on the job. WATCH has a drug testing policy and the person refused to participate so the employee is no longer working there.

Soap Leakage

Mr. Kennedy and Mr. Greening visited the Sheltered Workshop in Nicholas County who has the bag in the box soap. They reviewed the manufacturing component and think they have identified the problems. They recommended:

- the extractor assembly machine settings will be standardized and noted on the machines to be sure the extractor tip does not break,
- an improved gluing process will be developed to ensure the extractor and bag connectors are glued 360 degrees to the proper tube, and
- a written inspection procedure be developed for each assembled tube to assure the extractor and bag connector are securely attached.

Fairmont State Office Building

Mr. Greening reported there has still been no response from General Services to the letter that was sent asking for more information and details.

Bottled Water.

There was no report from Green Acres. Ms. Hall asked Mr. McEndree to call the Executive Director and ask about the report that she was to give the Committee every month. This makes the second month without a report.

FINANCIAL REPORT:

Mr. Miller reported the accounts receivable over 90 days was at .08% of the total account receivables. He said he did not recall them ever being this low.

Ms. Hall reported the State Use Profit at the end of March 2007 was \$49,000.

FY 2008 Budget

Mr. Miller presented the budget document. Ms. Hall asked what the driving force was behind an increase of only \$400,000 in the next year. In relationship to this she asked what the value was of the:

- Rehab Center contract,
- Rest area contract at Burnsville, and
- Data entry contract that will be lost in FY '08.

Mr. Miller reported he had budgeted the data entry contract at the same rate as this year. Mr. Miller said he starts putting the data together in December and bases it on their best figures year-to-date, therefore it is based on November data. The WVARF Finance Committee starts reviewing it February and the Executive Committee reviews it in March. The membership approves it in April. Therefore, the Rehab Center and the

Rest Area situations are not built into the budget. They estimated a \$400,000 increase in laundry because at the time it looked like it would not extend to all the hospitals. There was a lot of discussion around the issue of when the budget is done and the numbers that are used.

Ms. Hall asked why the budget, 862 SUC, showed only \$3,000 in training costs while the action plan for next year shows approximately \$15,000 for staff and CRP training expenses. Mr. McEndree said a lot of the \$15,000 was travel expenses. Ms. Hall said she understood that but the SUPRA and NISH Conferences alone were listed at \$10,000. She said she did not want to get in a situation like this year where the Committee was told there was no money in the budget for staff to attend a training event.

Ms. Hall asked about the depreciation for the Data Management Software, since the software has not been rolled out yet. Mr. Miller said he expected the software would be ready and training would start within the next week.

Ms. Smith questioned SUC 845, Office Supplies. This year it is \$692 but are predicting \$2000 for next year. Mr. Miller said they were going to track this line item better so things did not end up in the Administrative budget.

Ms. Hall asked why salary costs under Admin 700 goes up \$14,566 when they eliminated one staff person. Mr. Miller said it is a 5% increase for staff which was suggested by the Finance Committee. Two employees have taken on most of the responsibilities of the one staff member who left. There are not new job descriptions at this time. Ms. Hall said in the past WVARF claimed 95% of staff time was spent on State Use, this budget show 97%. She asked how do we know that 95% of the staff time or 97% as you are claiming in this budget is being spent on State Use since there has never been any type of independent time study done on how the staff spends their time?

Mr. McEndree said you can't look at that Action Plan and determine how much time individuals are spending on State Use. Joyce processes invoices and writes checks for State Use. Mary who has different responsibilities does TEMP services. Cathy, in addition to answering the phone, helps process credit card orders and things which is State Use.

Ms. Hall said she understands wanting to give the one or two people who have taken on extra duties a pay increase. However, increasing the line item by \$14,566 is a lot. Ms. Morford asked what a position adjustment was. Mr. Miller said it is for raises and bonuses. Ms. Hall said she thought the raises would have gone into that category instead of the administrative salary category for this year and then next year it would appear in administrative salaries. Mr. Miller said the design of that line item was more incentive pay for doing a good job as opposed the idea of putting this 5% increase in admin salaries was an increase just for taking on new duties.

Mr. Liller asked what the overall budget is. Mr. Miller said it is about \$450,000.

Ms. Smith expressed concern about the committees not being active even though there is a budget for them. She said she saw a real need for the marketing committee as it relates to the State Use Program. She asked Mr. McEndree if something could be done to get the committees more active. Mr. McEndree said he wished he could answer that question; however, it seems like the committee members have not had the time. He said he sent things out to them but wouldn't get a response back.

Mr. Cuffaro asked about line item 800SUC, advertising and marketing and why it is necessary for this program. Mr. Miller said this line item includes things like booths at trade fairs, small novelty items for vendors, etc.

Ms. Hall asked about line item 872 Admin for professional fees and what that includes. Mr. Miller said this includes audit fees, legal fees, and advocacy costs. Ms. Hall asked if the majority of this shouldn't go under the Association budget and not the SUP budget.. Ms. Morford said she thought the legal and advocacy fees should definitely go under the Association. Mr. McEndree said he didn't know how much legal expenses were related to State Use and how much was related to membership. Ms. Morford said this is an area which needs to be looked at. However, the lobbyist fees have to come under the association and cannot come out of any funds that were generated through the state.

Ms. Hall said this leads up to the big question of how WVARF can show a loss \$5,400 within the State Use Program while the membership is going to earn the same amount. She said this is not correct nor is it true.

Ms. Morford said she didn't have a problem with people getting raises as long as it doesn't kick the budget in the other direction and that the money is there to do what is on that plan. Once the goals are approved she said she wanted to make sure we don't get to one of them and say, sorry it wasn't in the budget.

Ms. Hall asked Mr. McEndree for a detailed accounting of what the state gets for its 4.1%.

MOTION #2

Ms. Morford moved to get the addition information as requested and we work together to get the budget approved before the June 21st meeting. Ms. Smith seconded. Motion passed

OLD BUSINESS:

Compliance Desk Reviews, Field Reviews

Mr. Greening said there were some commonalities among the issues they found at the CRP's when conducting the reviews. One is the lack of materials and safety data (MSD) books or sheets for all chemicals used. He suggested doing a Hazard Communication training (HAZCOM) in relationship to OSHA regulations. He also said WVARF needs to somehow get moving on being able to support the workers better. A lot of times the equipment is not there, the tools are not there, they have vacuums which are not the right vacuums and people are not being trained on how to use them properly.

2008 Goals

Mr. McEndree presented an updated Action Plan for the FY 2008 Goals. After reviewing the Action Plan the Committee agreed it could not be finalized until Goal #9 was addressed.

Quarterly Ratio Report

Mr. Greening reported there were seven CRP's that did not submit their report on time. This report will have to be review again next month.

MOTION #3

Ms. Morford moved to adjourn. Ms. Smith seconded.